

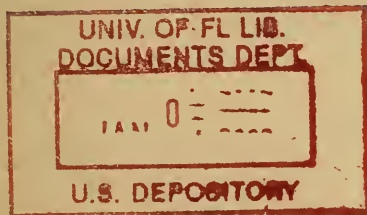
NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION

FOR THE

MOTOR BUS INDUSTRY

AS APPROVED ON APRIL 26, 1934



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As Approved on April 26, 1934

ORDER

APPROVING AMENDMENT TO THE CODE OF FAIR COMPETITION FOR THE
MOTOR BUS INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I, of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to a Code of Fair Competition for the Motor Bus Industry, and hearings having been duly held thereon and the annexed report on said amendment, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of the said Code in its entirety as amended.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

SOL A. ROSENBLATT,
Division Administrator.

WASHINGTON, D.C.,
April 26, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report of the hearings on an amendment to the Code of Fair Competition for the Motor Bus Industry conducted in Washington on the 16th day of January, 1934, with adjourned meetings up to and including the 23rd day of March, 1934, in accordance with the provisions of the National Industrial Recovery Act and the Code of Fair Competition for the Motor Bus Industry, Article VI, Section 2, Subsection (i).

Every person who requested an appearance was fairly heard in public in accordance with the regulations of the National Recovery Administration. There were present duly authorized representatives of the Code Authority and other representatives of the Industry.

The amendment adds to Article VII, Section 2 of the said Code an additional Subsection designated Subsection (c).

The Code of Fair Competition for the Motor Bus Industry, approved October 31, 1933, contained no provision for the establishment of minimum rates, fares or charges of any kind or character which has resulted in destructive, unfair and below cost competition by members of the Industry. The National Association of Motor Bus Operators submitted an amendment which will correct this condition by providing for the establishment of minimum rates, fares or charges in specific cases, below which it shall be unfair competition for members of the Industry to furnish transportation.

Labor representatives were present at the first hearing and have stated that they have no objection whatever to the said amendment. There were no other objections at the hearing.

The Deputy Administrator in his final report to me on said amendment to said Code, having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendment to said Code and the said Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production, by increasing the consumption of indus-

trial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7 and Subsection (b) of Section 10 thereof.

(c) The National Association of Motor Bus Operators was and is an industrial association truly representative of the aforesaid Industry and that said association imposed and imposes no inequitable restrictions on admission to membership therein and has applied for or consents to this amendment.

(d) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to the approval of said amendment.

For these reasons, this amendment has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

APRIL 26, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE MOTOR BUS INDUSTRY

There shall be added to Section 2 of Article VII of the Code of Fair Competition for the Motor Bus Industry the following Subsection to be known as Subsection (c).

ARTICLE VII, SECTION 2, SUBSECTION (C)—RATES AND TARIFFS

In order to carry out the purposes of the Act including the limitation of hours of employment, the payment of minimum wages herein established and the furnishing of employment for labor, it is the purpose of this Section to permit, in specific cases of interstate transportation, the establishment of minimum rates, fares or charges below which it shall be unfair competition for members of the Industry to furnish such interstate transportation, but not to permit thereby the establishment of maximum reasonable rates, fares or charges. After any rate, fare or charge has become effective in either of the ways herein provided, it shall be unfair competition for any member of the Industry engaging in such transportation to publish, demand or collect any rate, fare or charge which is less than the effective rate, fare or charge until the same has been modified or revised pursuant to the provisions of this Section.

a. Any member of the Industry may at any time file a complaint with the Code Authority that any rate, fare or charge for interstate transportation, whether or not prescribed under the provisions of this Section or filed by a member of the Industry, is below the lowest reasonable cost of furnishing such transportation and therefore results in unfair competition. Upon receipt of any such complaint, the Code Authority shall give at least ten (10) days' notice of hearing to all members of the Industry who are directly affected by such rate, fare or charge. At such hearing, to be held within thirty (30) days after receipt of the complaint, unless otherwise provided by the Administrator, the Code Authority together with the Administration Member thereof shall procure and hear all pertinent facts including statistics relating to the cost of the service in question. If the Code Authority shall find at such hearing that any such rate, fare or charge complained of is below the lowest reasonable cost, as defined by the Administrator, of furnishing such transportation and therefore results in unfair competition, the Code Authority shall arrive at a minimum rate, fare or charge necessary to meet such lowest reasonable cost of the service to be rendered. Such rate, fare or charge so arrived at shall be immediately submitted to the Administrator and shall be advertised for a period of five (5) days by posting a copy of the same in the Post Office of such of the terminals between which the rate, fare or charge is applicable, unless the Administrator shall otherwise provide.

b. Such rate, fare or charge shall become effective on the fifteenth day from the date of the first advertisement thereof as hereinabove provided, unless within such period

(1) a member of the Industry shall file an appeal to the Administrator to review the action of the Code Authority; or

(2) an interested party other than a member of the Industry files a protest with the Administrator that such rate, fare or charge has been improperly established.

c. In case of such an appeal or protest, the Code Authority shall give immediate notice thereof to all members of the Industry directly affected by such rate, fare or charge, and such rate, fare or charge shall become effective only upon approval of the Administrator as hereinabove provided. Any party so appealing or protesting shall submit to the Administrator the cost data, or other information on which said appeal or protest is based, and the Administrator shall immediately submit copies of the same to the Code Authority. If the Administrator shall find, after such notice and hearing as he may prescribe,

(1) on appeal by a member of the Industry, that the Code Authority acted pursuant to the provisions of this Section in establishing such rate, fare or charge; or

(2) on protest filed by any interested party other than a member of the Industry, that the rate, fare or charge has been properly established; or

(3) that any modification of any such minimum rate, fare or charge appealed from or protested will carry out the provisions of this Section;

he may approve such minimum rate, fare or charge or appropriate modification thereof which shall become effective when he shall specify.

d. The Code Authority may at any time on its own initiative or on complaint filed, lower the minimum rate, fare or charge established under the provisions of this Section. The denial of any such complaint or the refusal to act thereon within fifteen (15) days shall be subject to review by the Administrator.

e. The application of the provisions of this Section shall be subject to rules and regulations with respect thereto issued by the Administrator, and the Administrator after three (3) days' notice to the Code Authority, may, in his discretion, cancel or suspend any rate, fare or charge so fixed at any time.

Approved Code No. 66. Amendment No. 1.
Registry No. 1741-2-03.

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